

DEPARTMENT OF SOCIAL SERVICES
744 P Street, Sacramento, CA 95814
(916) 445-7046



March 19, 1985

ALL-COUNTY LETTER NO. 85-32

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY FISCAL OFFICERS
ALL COUNTY AUDITORS
ALL COUNTY ADMINISTRATIVE SERVICES OFFICERS

SUBJECT: COUNTY WELFARE ADMINISTRATIVE EXPENSE CLAIM

REFERENCE:

This is to provide claiming instructions for the January-March 1985 quarter. Included are instructions related to Limitations on Claiming, Emergency Assistance, and County Welfare Department (CWD) Child Support Costs.

The following forms are to be used for the January-March 1985 quarter claim. Forms denoted as revisions will be forwarded to the counties separately.

<u>Form</u>	<u>Revision Date</u>	<u>Form</u>	<u>Revision Date</u>
DFA 325.1	7/82	DFA 327.7A	1/85*
DFA 325.1A	7/81	DFA 327.8	1/85*
DFA 325.2	7/83	DFA 327.8A	3/85*
DFA 325.3	7/84	DFA 327.8B	3/85*
DFA 325.4	7/84	DFA 327.8C	3/85*
DFA 325.4A	1/85*	DFA 327.8D	3/85*
DFA 325.4B	1/85*	DFA 403	7/82
DFA 327.1	1/85*	DFA 50	11/82
DFA 327.2	1/85*	DFA 419	1/83
DFA 327.3	1/83	DFA 43	1/85*
DFA 327.4	7/84	DFA 46	11/84
DFA 327.5	7/83	DFA 47	1/85*
DFA 327.6	1/85*	DFA 323	1/85*
DFA 327.7	1/85*	DFA 856	4/82

*indicates revisions this quarter.

Limitations on Claiming

This is to remind counties of the 18 month limitation on the filing of claims for federal and state reimbursement that becomes effective July 1, 1985. This limitation was established in Chapter 235, Statutes of 1984 (Assembly Bill 448)

and outlined in All-County Letter (ACL) 84-100 dated September 26, 1984. This change aligns the state limitations on claiming with the federal limitations.

In order to provide the State Department of Social Services (SDSS) sufficient time to process prior quarter claims eligible for federal and state reimbursement, claims are to be submitted to the Fiscal Policy and Procedures Bureau (FPPB) in accordance with the schedule below:

<u>Quarter Costs Paid</u>	<u>To FPPB By</u>
April-June 1983	April 1, 1985
July-September 1983	June 30, 1985*
October-December 1983	June 30, 1985*

*Claims submitted after July 1, 1985 will be subject to the 18 month limitation.

Emergency Assistance (EA)

The Department of Health and Human Services (DHHS) has been conducting EA Program Compliance Reviews in several counties. The reviews have revealed major non-compliance items which have resulted in deferral actions against the counties.

In order to avoid future deferrals and the possible disallowance of federal funding, counties are urged to comply with the EA Program regulations and policies released by this Department.

Listed below are four areas that have been documented by DHHS.

Abatements

As stated in ACL 83-31 dated March 30, 1983, abatements are to be applied immediately upon the discovery that an improper EA payment has been made. The abatement is to include the cost of social services provided to ineligible and the cash grant overpayments. The EA Services Time Log is to be used to identify the hours that were incorrectly charged to the EA Program.

Altered Records

During the DHHS reviews, cases requested were reviewed by county staff prior to submittal for the Federal review. In some of the instances, case documentation was altered so that an audit trail did not exist. Counties are advised not to alter documents.

Central Listing

Each county should have a system of cross-checking dates of aid internally in order to clear cases prior to authorization of EA. One of the eligibility requirements for EA is that the child/family has not received any type of EA within the previous 12 months. By maintaining and using a central listing of all EA recipients and dates of aid, county welfare departments will be able to determine whether potential recipients have received EA within the past 12 months and assure that federal financial participation is appropriate.

Retainer Fees

Retainer fees that keep a bed available during the month are not related to a child's status or days in placement. Therefore, the costs are not allowable for funding under the EA Program. These costs are to be claimed against the county's Child Welfare Service allocation.

Child Support Distribution Costs

This is to notify the CWDs of a change in policy for the claiming of child support distribution costs.

Under the existing claiming procedure, the CWD Administrative Expenditures claim is utilized as the vehicle for billing the District Attorney for child support (IV-D) distribution activities performed by the CWD. Because the CWD and IV-D administrative expenditures claims are audited by the same unit within SDSS, the CWD child support program administrative costs reflected on the audited DFA 327.8, Total Expenditures Fund Distribution Report, are then inserted on the CA 356, page 1 of the IV-D administrative expenditures claim for auditing and reporting purposes.

Although auditing of the common elements of the two administrative expenditures claims has resulted in immediate adjustment to IV-D expenditures and has provided convenience for the CWDs and the SDSS auditing process, we have now been informed that the procedure is impacting the ability of the IV-D agencies to account for and control support agency costs. In addition, the procedure has impacted SDSS' ability to meet the federal statutory reporting requirements.

Therefore, effective with the January-March 1985 quarter, the audited CWD child support program costs will no longer be applied to IV-D child support administrative expenditures claim by SDSS. Instead, CWDs are instructed to bill the IV-D agency quarterly at the county level when the claim calculations have been completed. The IV-D agency will then pay the welfare-related expenditures prior to reporting the costs on the IV-D administrative expenditures claim. When the audited CWD administrative claim is received, the county is to determine whether an adjustment is necessary. The difference between the prior-to-audit and audited child support figures is to be billed to the IV-D agency. This correction will reflect the actual costs incurred by the CWD for child support distribution activities. The billings are to continue to be supported by a copy of the DFA 327.8. All documentation is to be maintained at the county level for future federal and state audits.

It is incumbent upon the CWD to bill child support program costs promptly in order for the IV-D agency to meet the established reporting due dates.

Claiming Form Changes

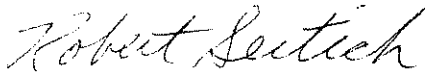
1. Cost Distribution Reports (DFA 327.8A and DFA 327.8C)

The forms listed above have been revised to incorporate tracking the costs associated with the child support disregard activities. A supply of these forms, and reporting instructions, will be distributed in late March.

2. Other Claim Forms

All other form changes this quarter are the result of eliminating the separate identification of the Cuban/Haitian Entrant Programs. These activities/costs are now reported under the Refugee Resettlement Program.

All questions concerning this letter should be directed to the Fiscal Policy and Procedures Bureau at (916) 445-7046 or ATSS 485-7046.



ROBERT T. SERTICH
Deputy Director
Administration

cc: CWDA